



FISCAL MEMORANDUM

HB 1199 - SB 1303

March 21, 2023

SUMMARY OF BILL AS AMENDED (006026): Extends eligibility for tuition reimbursements provided to members of the Tennessee National Guard under the *STRONG Act of 2017* to include Lincoln Tech (formerly Nashville Auto Diesel College) for members who completed initial active-duty training in April of 2022 and were enrolled in the college beginning August 2022 and submitted a timely application for tuition reimbursement. Sets forth limitations and conditions on eligibility for the tuition reimbursement. The expansion is repealed on July 1, 2024.

FISCAL IMPACT OF BILL AS AMENDED:

Increase State Expenditures - Exceeds \$35,000/FY23-24/STRONG Act

Other Fiscal Impact – Approximately \$626,100 of the initial appropriation for the *STRONG Act* had not been expended as of June 30, 2022.

Assumption:

- The proposed legislation will allow a student to receive reimbursement for tuition for up to 24 semester hours attempted.
- For purposes of this analysis, 24 semester hours is equivalent to two semesters or one year of education at institutions of higher education.
- Based on information found on the Lincoln Tech website, the annual cost of tuition is up to \$35,035 depending on the program.
- The precise number of individuals that were previously enrolled in the college in August of 2022 and were also a National Guard member who completed initial active-duty training in April of 2022 is unknown.
- It can be reasonably assumed that at least one person will meet the qualifications of the legislation and application deadlines and will receive reimbursement in FY23-24.
- Tuition reimbursements under the *STRONG Act* are expended from a dedicated fund created in FY17-18 with an initial appropriation of \$8,959,000.
- The Strong Act is repealed on June 30, 2025, unless reenacted or extended by the General Assembly prior to that date.
- The increase in *STRONG Act* expenditures is estimated to exceed \$35,035 tuition which will be absorbed within the existing fund balance.
- The Governor's recommended budget document for FY23-24 shows \$2,340,800 in FY21-22 expenditures and recommends a \$3,000,000 budget for FY23-24.

Approximately \$626,110 of the initial appropriation for the *Strong Act* has not been expended as of June 30, 2022.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/lm